

REMARKS

Claims 11-42 are pending in the present application.

Claims 1-10 have been previously canceled without *prejudice*.

Claims 11-26 stand object to because of certain informalities.

Claims 11-26 stand rejected under 35 U.S.C. § 112, second paragraph.

Claims 11-42 stand rejected under 35 U.S.C. § 101.

Claims 11-16, 18, 27-32, and 34 stand rejected under 35 U.S.C. § 103(a) over EP 425,405 A2 to James et al. ("*James*") in view of U.S. Patent No. 5,712,985 to Lee et al. ("*Lee*") and in further view of "The keys to the enterprise: integrated applications drive information systems to new horizons – enterprise wide integration" to Dusty Rhodes ("*Rhodes*").

Claim 17 stands rejected under 35 U.S.C. § 103(a) over *James* in view of *Lee* and in further view of "Dun & Bradstreet Software Delivers Sales and Promotion System to Manufacturers" to Frank O. Smith ("*Smith*").

Claims 19-26, 33, 35-37, and 39-42 stand rejected under 35 U.S.C. § 103(a) over *James* in view of *Lee* and *Rhodes* and in further view of *Smith*.

The Applicant respectfully submits that all of Applicant's arguments and amendments are without prejudice or disclaimer. In addition, the Applicant has merely discussed example distinctions from the cited prior art. Other distinctions may exist, and as such, the Applicant reserves the right to discuss these additional distinctions in a future Response or on Appeal, if appropriate. The Applicant further respectfully submits that by not responding to additional statements made by the Examiner, the Applicant does not acquiesce to the Examiner's additional statements. The example distinctions discussed by the Applicant are considered sufficient to overcome the Examiner's rejections. In addition, the Applicant reserves the right to pursue broader claims in this

Application or through a continuation patent application. No new matter has been added.

Lee is Invalid as Prior Art Over the Subject Application

Initially, the Applicant notes that *Lee* which issued on 27 January 1998 was filed on 13 October 1995. The subject application is a continuation application of U.S. Patent 6,188,989 which was filed on 16 June 1995. Therefore, because the filing date of *Lee* is after the filing date of the priority date of the subject application, *Lee* is not properly citable as prior art under 35 U.S.C. § 103, over the subject Application.

The Applicant also notes that even though *Lee* is a continuation-in-part of U.S. Patent 5,459,656 filed on 26 February 1993, U.S. Patent 5,459,656 fails to teach, suggest, or even hint at Applicant's claimed invention. However, if the Examiner intends to rely on the filing date of U.S. Patent 5,459,656, then it is respectfully requested that the Examiner provide a showing that U.S. Patent 5,459,656 properly supports the subject matter relied upon to make the rejection in compliance with 35 U.S.C. 103.

Even though *Lee* is invalid as prior art, the Applicant believes, however, that the Applicant's claimed invention is not disclosed or fairly suggested by *Lee*, and therefore, traverses the Examiner's rejection based on *Lee*, for at least the reasons recited below.

CLAIM OBJECTIONS:

Claims 11-25 stand objected to because of certain informalities.

In response the Applicant has amended independent Claims 11 and 19 to more particularly point out and distinctly claim the subject matter which the Applicant regards as the invention. In addition, the Applicant respectfully submits that the amendments to independent Claims 11 and 19 are not necessitated by any prior art and are unrelated to the patentability of the present invention. By making these amendments, the

Applicant does not indicate agreement with or acquiescence to the Examiner's position with respect to the objection of these claims, as set forth in the Office Action.

REJECTION UNDER 35 U.S.C. § 112:

Claims 11-26 stand rejected under 35 U.S.C. § 112, second paragraph, as allegedly being indefinite for failing to particularly point out and distinctly claim the subject matter which Applicant regards as the invention. The Applicant respectfully disagrees.

Nonetheless, the Applicant has amended Applicant's Claims to expedite prosecution of this Application and to more particularly point out and distinctly claim the subject matter which the Applicant regards as the invention. In addition, the Applicant respectfully submits that the amendments to Applicant's claims are not necessitated by any prior art and are unrelated to the patentability of the present invention. By making these amendments, the Applicant does not indicate agreement with or acquiescence to the Examiner's position with respect to the rejections of these claims under 35 U.S.C. § 112, as set forth in the Office Action.

The Applicant respectfully submits that Claims 11-26 are considered to be in full compliance with the requirements of 35 U.S.C. § 112. The Applicant further respectfully submits that Claims 11-26 are in condition for allowance. Thus, the Applicant respectfully requests that the rejection of Claims 11-26 under 35 U.S.C. § 112 be reconsidered and that Claims 11-26 be allowed.

REJECTION UNDER 35 U.S.C. § 101:

Claims 11-42 stand rejected under 35 U.S.C. § 101 as allegedly being directed towards non-statutory subject matter. The Applicant respectfully disagrees and respectfully traverses the Examiner's rejection of Claims 11-42 under 35 U.S.C. § 101.

Applicant's Claims Recite Statutory Subject Matter According to State Street

In *State Street Bank & Trust Co. v. Signature Financial Group Inc.*, 149 F.3d 1368 (Fed. Cir. 1998), the Federal Circuit held that even purely mathematical algorithms are patentable if they are applied in a useful way. The system, method, and software in this case are applied in a useful way – for managing data associated with available-to-promise (ATP) products - and is therefore statutory under the governing law. Accordingly, reconsideration of the Examiner's rejections is respectfully requested.

In *State Street*, the Federal Circuit stated that "Unpatentable mathematical algorithms are identifiable by showing they are merely abstract ideas constituting disembodied concepts or truths that are not 'useful'." *Id.* at 1373. "To be patentable, an algorithm must be applied in a 'useful' way." *Id.* Furthermore, the Federal Circuit noted: "the mere fact that a claimed invention involves inputting numbers, calculating numbers, outputting numbers, and storing numbers, in and of itself, would not render it nonstatutory subject matter, unless, of course, its operation does not produce a 'useful, concrete and tangible result.'" *Id.* The court in *State Street* went on to hold that "the transformation of data, representing discrete dollar amounts, by a machine through a series of mathematical calculations into a final share price, constitutes a practical application of a mathematical algorithm . . . because it produces a 'useful, concrete and tangible result' - a final share price momentarily fixed . . ." *Id.*

Applicant's Claims Produce Useful, Concrete, and Tangible Results

The Applicant respectfully submits that Claims 11-42 likewise produce useful, concrete and tangible results. For example, Claims 11, 19, 27, and 35 recite a system, method, and software for centrally managing core enterprise reference data associated with an enterprise. Centrally managing core enterprise reference data associated with an enterprise is certainly a useful, concrete and tangible result. Claims 1, 12, 23, and 34 recite managing data associated with available-to-promise (ATP) products. Again, managing data associated with available-to-promise (ATP) products is certainly a useful, concrete and tangible result. For at least these reasons, Applicant respectfully submits that Claims 11-42 recite statutory subject matter.

For at least these reasons, the Applicant respectfully submits that Claims 11-42 are directed to statutory subject matter. The Applicant further respectfully submits that Claims 11-42 are in condition for allowance. Therefore, the Applicant respectfully requests that the rejection of Claims 11-42 under 35 U.S.C. § 101 be reconsidered and that Claims 11-42 be allowed.

REJECTION UNDER 35 U.S.C. § 103(a):

Claims 11-16, 18, 27-32, and 34 stand rejected under 35 U.S.C. § 103(a) over *James* in view of *Lee* and in further view of *Rhodes*. Claim 17 stands rejected under 35 U.S.C. § 103(a) over *James* in view of *Lee* and in further view of *Smith*. Claims 19-26, 33, 35-37, and 39-42 stand rejected under 35 U.S.C. § 103(a) over *James* in view of *Lee* and *Rhodes* and in further view of *Smith*.

The Applicant respectfully submits that *James*, *Lee*, or *Rhodes*, either individually or in combination, fail to disclose, teach, or suggest each and every element of Claims 11-16, 18, 27-32, and 34. The Applicant further respectfully submits that *James*, *Lee*, or *Smith*, either individually or in combination, fail to disclose, teach, or suggest each and every element of Claim 17. The Applicant still further respectfully submits that *James*, *Lee*, *Rhodes*, or *Smith*, either individually or in combination, fail to disclose, teach, or suggest each and every element of Claims 19-26, 33, 35-37, and 39-42. Thus, the Applicant respectfully traverses the Examiners obvious rejection of Claims 11-42 under 35 U.S.C. § 103(a) over the proposed combination of *James*, *Lee*, *Rhodes*, or *Smith*, either individually or in combination.

The proposed *James-Lee-Rhodes-Smith* Combination Fails to Teach, or Suggest Various Limitations Recited in Applicant's Claims

For example, with respect to independent Claim 11, this claim recites:

A computer-implemented system for managing data associated with available-to-promise (ATP) products, comprising:

a memory operable to store a hierarchy of ***at least two seller models that each represent a seller for one or more products***, each product being associated with ***a product forecast model*** representing:

forecasted sales of the product through the seller;

planned supply of the product;

customer orders for the product through the seller; and

pre-allocated supply of the product to the seller, the pre-allocated supply being a supply of the product that has been pre-allocated to the seller for promising to subsequent customer orders for the product through the seller, the pre-allocation of the supply of the product to the seller occurring prior to distribution of the pre-allocated supply of the product to the seller; and

a processor coupled with the memory and operable to:

compute the amount of the product that is ATP at a seller according to at least the planned supply of the product, the customer orders for the product through the seller, the pre-allocated supply of the product to the seller, and the amount of the product that is ATP at one or more other sellers at a higher level in a seller hierarchy. (Emphasis Added).

In addition, *James, Lee, Rhodes, or Smith*, either individually or in combination fail to disclose each and every limitation of dependent Claims 19, 27, and 35.

The Office Action Acknowledges that *James* Fails to Disclose Various Limitations Recited in Applicant's Claims

The Applicant respectfully submits that the Office Action acknowledges, and the Applicant agrees, that *James* fails to disclose various limitations recited in independent Claim 11. Specifically the Examiner acknowledges that *James* fails to disclose “***two seller models that each represent a seller for one or more products each product being associated with a product forecast model; and forecasted sales of the product through the seller***”. (10 August 2007 Final Office Action, Page 6). (Emphasis Added). However, the Examiner asserts that the cited portions of *Lee* disclose the acknowledged shortcomings in *James*. The Applicant respectfully traverses the Examiner's assertions regarding the subject matter disclosed in *Lee*.

Lee is Not Properly Citable Prior Art

As discussed above, because *Lee* was filed on 13 October 1995 and the subject application has a priority date of 16 June 1995, *Lee* is not properly citable as prior art over the subject application. In addition, even though *Lee* is a continuation-in-part of U.S. Patent 5,459,656 filed on 26 February 1993, the teaching relied upon by the Examiner in overcoming the shortcomings of *James* is not part of U.S. Patent 5,459,656, and therefore *Lee* is invalid as prior art over the subject Application. Thus, the Applicant respectfully submits that *Lee* is not properly citable as prior art under 35 U.S.C. § 103, over the subject Application.

The Applicant further respectfully submits that even if *Lee* was valid prior art, which as discussed above, it is not, it is clearly not, *Lee* fails to disclose, teach, or suggest independent Claim 11 limitations regarding “**at least two seller models that each represent a seller for one or more products**, each product being associated with **a product forecast model**”. In particular, the Examiner equates the “**at least two seller models**” recited in independent Claim 11 with a “**model**” disclosed in *Lee*. (10 August 2007 Final Office Action, Page 6). However, **the model disclosed in Lee** is merely only one model, and **does not include, involve, or even relate to at least two seller models**, as recited in independent Claim 11. (Column 5, Lines 47-49). In contrast, the “**at least two seller models**” recited in independent Claim 11 **represents a seller for one or more products**, each product being associated with **a product forecast model**, wherein the **product forecast model** represents “forecasted sales of the product through the seller; planned supply of the product; customer orders for the product through the seller; and pre-allocated supply of the product to the seller, the pre-allocated supply being a supply of the product that has been pre-allocated to the seller for promising to subsequent customer orders for the product through the seller, the pre-allocation of the supply of the product to the seller occurring prior to distribution of the pre-allocated supply of the product to the seller”. Thus, the Applicant respectfully submits that the equations forming the foundation of the Examiner’s comparison between *Lee* and independent Claim 11 cannot be made. The Applicant further

respectfully submits that these distinctions alone are sufficient to patentably distinguish independent Claim 11 from *Lee*.

The Office Action Acknowledges that *Lee* Fails to Disclose Various Limitations Recited in Applicant Claims

The Applicant respectfully submits that the Office Action acknowledges, and the Applicant agrees, that *Lee* fails to disclose various limitations recited in independent Claim 11. Specifically the Examiner acknowledges that *Lee* fails to teach “***pre-allocated supply of the product to the seller and the system operable to compute the amount of the product that is ATP at the seller according to the planned supply, the customer orders, the pre-allocated supply and the amount of the product that is ATP at one or more sellers at a higher level in a seller hierarchy***”. (10 August 2007 Final Office Action, Page 7). (Emphasis Added). However, the Examiner asserts that the cited portions of *Rhodes* disclose the acknowledged shortcomings in *Lee*. The Applicant respectfully traverses the Examiner’s assertions regarding the subject matter disclosed in *Rhodes*.

The Applicant respectfully submits that *Rhodes* fails to disclose, teach, or suggest independent Claim 11 limitations regarding “***the system operable to compute the amount of the product that is ATP at a seller according to at least the planned supply of the product***, the customer orders for the product through the seller, the pre-allocated supply of the product to the seller, and the amount of the product that is ATP at one or more other sellers at a higher level in a seller hierarchy”. In particular, the Examiner equates the “***comput[ing] the amount of the product***” recited in independent Claim 11 with “[t]o better satisfy the current planned level of sales” disclosed in *Rhodes*. (10 August 2007 Final Office Action, Page 7). However, ***the disclosure in Rhodes*** merely provides for the SOP process to better satisfy the current planned level of sales, but ***does not include, involve, or even relate to computing the amount of the product***, as recited in independent Claim 11. (Page 1). In contrast, the “***comput[ing] the amount of the product***” recited in independent Claim 11 is provided for ***compute at a seller according to at least the planned supply of the***

product, the customer orders for the product through the seller, the pre-allocated supply of the product to the seller, and the amount of the product that is ATP at one or more other sellers at a higher level in a seller hierarchy”. Thus, the Applicant respectfully submits that the equations forming the foundation of the Examiner’s comparison between *Rhodes* and independent Claim 11 cannot be made. The Applicant further respectfully submits that these distinctions alone are sufficient to patentably distinguish independent Claim 11 from *Rhodes*.

The Office Action Fails to Properly Establish a *Prima Facie* case of Obvious over the Proposed *James-Lee-Rhodes-Smith* Combination

The Applicant respectfully submits that the Office Action fails to properly establish a *prima facie* case of obviousness based on the proposed combination of *James*, *Lee*, *Rhodes*, or *Smith*, either individually or in combination. The Office Action has not shown the required teaching, suggestion, or motivation in these references or in knowledge generally available to those of ordinary skill in the art at the time of the invention to combine these references as proposed.

The Applicant further respectfully submits that this purported advantage relied on by the Examiner is nowhere disclosed, taught, or suggested in *James*, *Lee*, *Rhodes*, or *Smith*, either individually or in combination. ***The Applicant respectfully requests the Examiner to point to the portions of James, Lee, Rhodes, or Smith which contain the teaching, suggestion, or motivation to combine these references for the Examiner’s stated purported advantage.*** The Applicant further respectfully submits that the Examiner is using the subject Application as a template to formulate reconstructive hindsight, which constitutes impermissible use of hindsight under 35 U.S.C. § 103(a).

A recent Federal Circuit case makes it crystal clear that, in an obviousness situation, the ***prior art must disclose each and every element of the claimed invention, and that any motivation to combine or modify the prior art must be based upon a suggestion in the prior art.*** *In re Lee*, 61 U.S.P.Q.2d 1430 (Fed. Cir. 2002). (Emphasis Added). Conclusory statements regarding common knowledge and common sense are insufficient to support a finding of obviousness. *Id.* at 1434-35. This factual

question of motivation is material to patentability, and cannot be resolved on subjective belief and unknown authority. *Id.* It is improper, in determining whether a person of ordinary skill would have been led to this combination of references, simply to "[use] that which the inventor taught against its teacher." *W.L. Gore v. Garlock, Inc.*, 721 F.2d 1540 (Fed. Cir. 1983). Thus, ***the Office Action fails to provide proper motivation for combining the teachings of James, Lee, Rhodes, or Smith***, either individually or in combination.

The Applicant's Claims are Patentable over the Proposed *James-Lee-Rhodes-Smith* Combination

The Applicant respectfully submits that independent Claim 11 is considered patentably distinguishable over the proposed combination of *James, Lee, Rhodes, or Smith*. This being the case, independent Claims 19, 27, and 35 are also considered patentably distinguishable over the proposed combination of *James, Lee, Rhodes, or Smith*, for at least the reasons discussed above in connection with independent Claim 11.

Furthermore, with respect to dependent Claims 12-18, 20-26, 28-34, and 36-42; Claims 12-18 depend from independent Claim 11; Claims 20-26 depend from independent Claim 19; Claims 28-34 depend from independent Claim 29; and Claims 36-42 depend from independent Claim 35. As mentioned above, each of independent Claims 11, 19, 27, and 35 are considered patentably distinguishable over *James, Lee, Rhodes, or Smith*. Thus, dependent Claims 12-18, 20-26, 28-34, and 36-42 are considered to be in condition for allowance for at least the reason of depending from an allowable claim.

For at least the reasons set forth herein, the Applicant respectfully submits that Claims 11-42 are not rendered obvious by the proposed combination of *James, Lee, Rhodes, or Smith*. The Applicant further respectfully submits that Claims 11-42 are in condition for allowance. Thus, the Applicant respectfully requests that the rejection of Claims 11-42 under 35 U.S.C. § 103(a) be reconsidered and that Claims 11-42 be allowed.

THE LEGAL STANDARD FOR OBVIOUSNESS REJECTIONS UNDER 35 U.S.C. § 103:

To establish a *prima facie* case of obviousness, three basic criteria must be met. First, ***there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings.*** Second, there must be a reasonable expectation of success. Finally, ***the prior art reference*** (or references when combined) ***must teach or suggest all the claim limitations.*** The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, ***and not based on applicant's disclosure.*** *In re Vaeck*, 947 F.2d 488, 20 U.S.P.Q.2d 1438 (Fed. Cir. 1991); M.P.E.P. § 2142. Moreover, all the claim limitations must be taught or suggested by the prior art. *In re Royka*, 490 F.2d 981, 180 U.S.P.Q. 580 (CCPA 1974). If an independent claim is nonobvious under 35 U.S.C. § 103, then any claim depending therefrom is nonobvious. *In re Fine*, 837 F.2d 1071, 5 U.S.P.Q.2d 1596 (Fed. Cir. 1988); M.P.E.P. § 2143.03.

With respect to alleged obviousness, ***there must be something in the prior art as a whole to suggest the desirability,*** and thus the obviousness, of making the combination. *Panduit Corp. v. Dennison Mfg. Co.*, 810 F.2d 1561 (Fed. Cir. 1986). In fact, the absence of a suggestion to combine is dispositive in an obviousness determination. *Gambro Lundia AB v. Baxter Healthcare Corp.*, 110 F.3d 1573 (Fed. Cir. 1997). The mere fact that the prior art can be combined or modified does not make the resultant combination obvious unless the prior art also suggests the desirability of the combination. *In re Mills*, 916 F.2d 680, 16 U.S.P.Q.2d 1430 (Fed. Cir. 1990); M.P.E.P. § 2143.01. The consistent criterion for determining obviousness is whether the prior art would have suggested to one of ordinary skill in the art that the process should be carried out and would have a reasonable likelihood of success, viewed in the light of the prior art. Both the suggestion and the expectation of success must be founded in the prior art, not in the Applicant's disclosure. *In re Vaeck*, 947 F.2d 488, 20 U.S.P.Q.2d 1438 (Fed. Cir. 1991); *In re O'Farrell*, 853 F.2d 894 (Fed. Cir. 1988); M.P.E.P. § 2142.

A recent Federal Circuit case makes it clear that, in an obviousness situation, the prior art must disclose each and every element of the claimed invention, and that any motivation to combine or modify the prior art must be based upon a suggestion in the prior art. *In re Lee*, 61 U.S.P.Q.2d 1430 (Fed. Cir. 2002). Conclusory statements regarding common knowledge and common sense are insufficient to support a finding of obviousness. *Id.* at 1434-35.

CONCLUSION:

In view of the foregoing amendments and remarks, this application is considered to be in condition for allowance, and early reconsideration and a Notice of Allowance are earnestly solicited.

A Request for Continued Examination (RCE) is being filed electronically herewith to facilitate the processing of this deposit account authorization. **The Director is hereby authorized to charge the \$810.00 RCE fee to Deposit Account No. 500777.** Although the Applicant believes no additional fees are deemed to be necessary; the undersigned hereby authorizes the Director to charge any additional fees which may be required, or credit any overpayments, to **Deposit Account No. 500777.** If an extension of time is necessary for allowing this Response to be timely filed, this document is to be construed as also constituting a Petition for Extension of Time Under 37 C.F.R. § 1.136(a) to the extent necessary. Any fee required for such Petition for Extension of Time should be charged to **Deposit Account No. 500777.**

Please link this application to Customer No. 53184 so that its status may be checked via the PAIR System.

Respectfully submitted,

31 October 2007
Date

/Steven J. Laureanti/signed
Steven J. Laureanti, Registration No. 50,274

BOOTH UDALL, PLC
1155 W. Rio Salado Pkwy., Ste. 101
Tempe AZ, 85281
214.636.0799 (mobile)
480.830.2700 (office)
480.830.2717 (fax)
steven@boothudall.com

CUSTOMER NO. 53184